

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE:	§	
	§	
MIDSTATES PETROLEUM COMPANY, INC., et al.¹	§	CASE NO. 16-32237-H2-11
	§	(CHAPTER 11)
DEBTORS.	§	(Joint Administration Requested)
	§	

**JOINT VERIFIED STATEMENT OF WINSTEAD PC
AND DAVIS POLK & WARDWELL LLP
PURSUANT TO FEDERAL RULE OF BANKRUPTCY PROCEDURE 2019**

In connection with the chapter 11 cases (the "Chapter 11 Cases") commenced by the above-captioned debtors (the "Debtors") on April 30, 2016 (the "Petition Date"), Winstead PC ("Winstead") and Davis Polk & Wardwell LLP ("Davis Polk" and, together with Winstead, "Counsel") hereby submit this verified statement ("Statement") pursuant to Rule 2019 of the Federal Rules of Bankruptcy Procedure ("Bankruptcy Rule 2019") with respect to Counsel's representation of the group (the "Ad Hoc Second Lien Group") formed by the holders (the "Consenting Second Lien Noteholders") of Debtors' 10.00% second-lien senior secured notes due 2020 (the "Second Lien Notes") that are parties to the Plan Support Agreement (the "PSA"), dated as of April 30, 2016 and attached as Exhibit C to the *Declaration of Nelson M. Haight in Support of Chapter 11 Petitions and First Day Motions* [ECF No. 16-3] filed in these Chapter 11 Cases, and respectfully state as follows:

1. In or around February 2016, the Consenting Second Lien Noteholders engaged Davis Polk in their capacities as holders of Second Lien Notes in connection with a potential

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Midstates Petroleum Company, Inc. (1816) ("Midstates Inc.") and Midstates Petroleum Company LLC (2434). Midstates Petroleum Company LLC is the Debtor in case no. 16-32238 pending in the U.S. Bankruptcy Court for the Southern District of Texas, Houston Division. The Debtors' main corporate and mailing address for purposes of these chapter 11 cases is: 321 South Boston, Suite 1000, Tulsa, Oklahoma 74103.

refinancing or restructuring of the Debtors and their interests under the indenture governing the Second Lien Notes.

2. In or around April 2016, the Consenting Second Lien Noteholders engaged Winstead in their capacities as holders of Second Lien Notes in connection with a potential refinancing or restructuring of the Debtors and their interests under the indenture governing the Second Lien Notes.

3. As of the date of this Statement, Counsel represent only the Ad Hoc Second Lien Group and do not represent or purport to represent any entities other than the Ad Hoc Second Lien Group in connection with these Chapter 11 Cases. In addition, the Consenting Second Lien Noteholders do not claim or purport to represent any other entity.

4. As of the filing of this Statement, the Consenting Second Lien Noteholders hold, or are the investment advisors or managers for funds that hold, approximately \$287.4 million in aggregate principal amount of the Second Lien Notes. In accordance with Bankruptcy Rule 2019, the address, nature and amount of all disclosable economic interests for each Consenting Second Lien Noteholder is set forth in **Exhibit A** attached hereto. The information contained in **Exhibit A** is based upon information provided by the Consenting Second Lien Noteholders to Counsel and is subject to change.

5. Upon information and belief formed after due inquiry, neither Winstead nor Davis Polk holds any claim against, or interests in, the Debtors or their estates, other than claims for fees incurred in representing the Ad Hoc Second Lien Group. Winstead's address is 1100 JPMorgan Chase Tower, 600 Travis Street, Houston, Texas 77002. Davis Polk's address is 450 Lexington Avenue, New York, New York 10017.

6. Counsel submit this Statement out of an abundance of caution, and nothing herein should be construed as an admission that the requirements of Bankruptcy Rule 2019 apply to Counsel's representation of the Ad Hoc Second Lien Group.

7. Nothing contained in this Statement, including **Exhibit A** hereto, should be construed as (i) a waiver or release of any claims against the Debtors by the Consenting Second Lien Noteholders, (ii) an admission with respect to any fact or legal theory or (iii) a limitation upon, or waiver of, any Consenting Second Lien Noteholder's right to file and/or amend a proof of claim in accordance with applicable law and any orders entered in this case establishing procedures for filing proofs of claim or interests.

8. The undersigned verify that the foregoing is true and correct to the best of their knowledge.

9. Counsel reserve the right to amend or supplement this Statement.

10. The information contained herein is intended only to comply with Bankruptcy Rule 2019 and is not intended for any other use or purpose.

[Remainder of page intentionally left blank]

DATED: May 1, 2016

WINSTEAD PC

By: /s/ Sean B. Davis

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- and -

DAVIS POLK & WARDWELL LLP

By: /s/ Brian M. Resnick

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**COUNSEL FOR THE AD HOC SECOND LIEN
GROUP**

Certificate of Service

I hereby certify that on May 1, 2016, notice of this document will be electronically mailed to the parties registered or otherwise entitled to receive electronic notices in this adversary proceeding pursuant to the Electronic Filing Procedures in this District.

/s/ Sean B. Davis

One of Counsel

EXHIBIT A

Name	Address	Nature and Amount ³ of Disclosable Economic Interest ⁴
Consenting Second Lien Noteholders managed by Artisan Partners Limited Partnership , or its affiliates	875 East Wisconsin Avenue Suite 800 Milwaukee, WI 53202	<ul style="list-style-type: none"> \$13.300 million aggregate outstanding principal amount of notes under that certain Indenture dated as of May 21, 2015, among the Debtors and Wilmington Trust, N.A. as Trustee and Collateral Agent (the "<u>Second Lien Notes</u>")
Consenting Second Lien Noteholders managed by Avenue Capital Management II, L.P. , or its affiliates	399 Park Avenue, 6th Floor New York, NY 10022	<ul style="list-style-type: none"> \$100.138 million aggregate outstanding principal amount of Second Lien Notes
Consenting Second Lien Noteholders managed by Fir Tree Partners or its affiliates	505 Fifth Avenue, 23rd Floor New York, NY 10017	<ul style="list-style-type: none"> \$70.000 million aggregate outstanding principal amount of Second Lien Notes
Consenting Second Lien Noteholders managed by Pine River Capital Management L.P. or its affiliates	601 Carlson Parkway, 7th Floor Minnetonka, MN 55305	<ul style="list-style-type: none"> \$67.000 million aggregate outstanding principal amount of Second Lien Notes
Consenting Second Lien Noteholders managed by Sound Point Capital Management, LP or its affiliates	375 Park Avenue, 25th Floor New York, NY 10152	<ul style="list-style-type: none"> \$15.000 million aggregate outstanding principal amount of Second Lien Notes
Consenting Second Lien Noteholders managed by Waddell & Reed or its affiliates	6300 Lamar Avenue Overland Park, KS 66202	<ul style="list-style-type: none"> \$22.000 million aggregate outstanding principal amount of Second Lien Notes

³ Amounts listed on this Exhibit A represent aggregate interests held by Consenting Second Lien Noteholders managed by the listed entities or their respective affiliates. Amounts listed on this Exhibit A do not include any claims for, without limitation, fees, expenses, accrued and unpaid interest, premiums, make-wholes or indemnification that may be owing under any indenture, credit agreement or other instrument, including the PSA.

⁴ All amounts are calculated as of the Petition Date.